



United States Department of Agriculture

Farm and Foreign Agricultural Services  
Risk Management Agency

**INFORMATIONAL MEMORANDUM**

**TO:** All Reinsured Companies

**FROM:** E. Heyward Baker, Director /s/ E. Heyward Baker 05/21/02  
Reinsurance Services Division

**SUBJECT:** Payment of Losses to Reinsured Companies after Automated Processing Has Ceased

Under Section 2-2B. of the Data Acceptance System Handbook – M13 states, in part, . . . “Data revisions must be submitted no less than monthly, for a period of one year following annual settlement. Thereafter, Electronic Data Processing revisions need only be submitted in any month where data changes as a result of court action; compliance, audit or investigative related findings by the Government or the Company up to three years after first annual settlement.”

Electronic processing ceases three years after the first annual settlement, thereafter, RMA will manually adjust accounting reports which are no longer being processed electronically for premiums and losses that are documented by a written request that outlines the circumstances of the requested adjustment. Such written request must be accompanied by a copy of the original and corrected acreage report and/or proof of loss for the crop policy unit. Adjustments to excess loss adjustment expense or underwriting gain and loss reports will not be made.

Reinsured companies should continue submitting requests for manual adjustments to the Financial Operations Branch in Kansas City, Missouri that involve a court action, compliance, audit or investigative findings by the Government. For compliance, audit or investigative findings by the reinsured company, such adjustments are to be forwarded to the Reinsurance Services Division (RSD) in Washington, DC for approval. Upon approval, RSD will request a manual adjustment and notify the reinsured company of the action taken.

If you should have any questions, please contact your account executive.



1400 Independence Ave., SW • STOP 0805 • Washington, DC 20250-0801

The Risk Management Agency Administers and Oversees  
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